

**REPORT
ON THE
RATE SETTING AUDIT**

**TOWER HOUSE
HAYWARD, CALIFORNIA
PROVIDER NUMBER: LTC60559F AND
NPI NUMBER: 1497806681**

**FISCAL PERIOD
FEB. 1, 2008 THROUGH DEC. 31, 2008**

**Audits Section - Richmond
Financial Audits Branch
Audits and Investigations
Department of Health Care Services**

**Section Chief: Louise Wong
Audit Supervisor: David Mui
Auditor: Ryan Lam**



DAVID MAXWELL-JOLLY
Director

State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

January 27, 2010

Teresita Go, Administrator
Tower House
29255 Ruus Road
Hayward, CA 94544

PROVIDER: TOWER HOUSE
PROVIDER NO. LTC60559F AND NPI NO. 1497806681
FISCAL PERIOD FEBRUARY 1, 2008 THROUGH DECEMBER 31, 2008

We have reviewed the provider's Medi-Cal Cost Report for the above-referenced fiscal period. Our review was made under the authority of Section 14170 of the Welfare and Institutions Code and was limited to a review of the cost report.

The data presented in the accompanying audit report schedules represents the reported Medi-Cal program costs and patient days for the above fiscal period, which were accepted as filed as follows:

<u>COST AND COST PER DAY</u>		<u>COST</u>		<u>COST PER DAY</u>
Reported Cost/Cost Per Day	\$	262,046		\$ 160.03
Net Audit Adjustment		<u>0</u>		<u>0</u>
Audited Cost/Cost Per Day	\$	<u>262,046</u>		\$ <u>160.03</u>

This audit report includes the:

1. Audit Report Schedules 1 through 2

Future Medi-Cal long-term care prospective rates may be affected by this examination. The extent to which the rates change will be determined by the Department's Rate Development Branch.

Notwithstanding this audit report, overpayments to the provider are subject to recovery pursuant to Section 51458.1, Article 6 of Division 3, Title 22, California Code of Regulations.

Teresita Go
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If you have questions regarding this report, you may call the Audits Section - Richmond at (510) 620-3100.

Original Signed by

Louise Wong, Chief
Audits Section - Richmond
Financial Audits Branch

Certified

**SUMMARY OF AUDITED FACILITY CENSUS
AND AUDITED CLIENT COST PER DAY**

Provider:
TOWER HOUSE

Fiscal Period:
FEBRUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
LTC60559F

Provider NPI:
1497806681

**SUMMARY OF AUDITED FACILITY CENSUS
AND AUDITED CLIENT COST PER DAY**

	AS REPORTED	AS AUDITED
1. Medi-Cal Client Days (Adj)	1,825	1,825
2. Other Client Days (Adj)		0
3. Total Client Days	<u>1,825</u>	<u>1,825</u>
4. Total Client Care Expenses (From Sch. 2)	\$ <u>292,046</u>	\$ <u>292,046</u>
5. AVERAGE CLIENT COST PER DAY (Line 4 / Line 3)	\$ <u>160.03</u>	\$ <u>160.03</u>

SHARE OF COST

1. Share of Cost Audit Adjustment (Adj)	\$ <u>NA</u>	\$ <u>0</u>
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OVERPAYMENTS

1. Duplicate Payments (Adj)	\$ _____	\$ _____
2. Credit Balances (Adj)	\$ _____	\$ _____
3. Total Overpayments	\$ <u>0</u>	\$ <u>0</u>

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
TOWER HOUSE

Fiscal Period:
FEBRUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
LTC60559F

Provider NPI:
1497806681

Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CLIENT SERVICES				
	Basic Facility Cost - Property Expenses				
045	Depreciation and Amortization		\$ 12,745	\$ 0	\$ 12,745
050	Leases and Rentals		62,000	0	62,000
055	Real Property Taxes				0
060	Personal Property Taxes				0
065	Mortgage Interest				0
070	Property Insurance				0
075	TOTAL PROPERTY EXPENSES (Lines 045 through 070)		\$ 74,745	\$ 0	\$ 74,745
	Basic Facility Cost - General Home Expenses				
080	Home Operations and Maintenance		\$ 36,000	\$ 0	\$ 36,000
085	Utilities		8,175	0	8,175
090	Client Transportation		11,430	0	11,430
095	Dietary		23,696	0	23,696
100	Personal Care and Laundry				0
105	TOTAL GENERAL HOME EXPENSES (Lines 080 through 100)		\$ 79,301	\$ 0	\$ 79,301
110	TOTAL BASIC FACILITY COST (Lines 075 plus 105)		\$ 154,046	\$ 0	\$ 154,046
	EXPENSES: DIRECT CARE STAFF COSTS				
115	QMRP Salaries		\$	\$	\$ 0
120	QMRP Fringe Benefits				0
125	Lead Salaries				0
130	Lead Fringe Benefits				0
135	Aides Salaries		40,981	0	40,981
140	Aides Fringe Benefits		4,426	0	4,426
145	Other Salaries				0
150	Other Fringe Benefits				0
155	TOTAL DIRECT CARE STAFF COSTS (Lines 115 through 150)		\$ 45,407	\$ 0	\$ 45,407

SUMMARY OF AUDITED FACILITY EXPENSES

Provider:
TOWER HOUSE

Fiscal Period:
FEBRUARY 1, 2008 THROUGH DECEMBER 31, 2008

Provider Number:
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Line No.	DESCRIPTION	ADJ NO.	AS REPORTED	AUDIT ADJUSTMENT	AS AUDITED
	EXPENSES: CONSULTANT COSTS				
160	Dietician Consultant		\$ 770	\$ 0	\$ 770
165	Speech Pathology Consultant				0
170	Physical Therapy Consultant				0
175	Occupational Therapy Consultant		450	0	450
180	Pharmacist Consultant		225	0	225
185	Nurse Consultant		11,800	0	11,800
190	Psychologist Consultant		300	0	300
195	Physician Consultant				0
200	Recreational Consultant		1,280	0	1,280
205	Social Service Consultant				0
210	Other Consultant		21,750	0	21,750
215	TOTAL CONSULTANT COST (Lines 160 through 210)		\$ 36,575	\$ 0	\$ 36,575
	EXPENSES: ADMINISTRATIVE COSTS				
220	Administrative Salaries		\$	\$	\$ 0
225	Administrative Fringe Benefits				0
226	Quality Assurance Fees				0
230	Other Administrative and General		56,018	0	56,018
235	TOTAL ADMINISTRATIVE COST (Lines 220 through 230)		\$ 56,018	\$ 0	\$ 56,018
	TOTAL COSTS RELATED TO CLIENT CARE (Lines 110, 155, 215 and 235)		\$ 292,046	\$ 0	\$ 292,046
	NON-CLIENT CARE EXPENSES		(To Sch. 1)		(To Sch. 1)
240	Non-Program Services		\$	\$	\$ 0
245	TOTAL FACILITY EXPENSES (Lines 110, 155, 215, 235 and 240)		\$ 292,046	\$ 0	\$ 292,046